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SIPDIS

USDA EXEC PASS RURAL DEVELOPMENT/DORR, HEFFERNAN, STACEY;
USDA FAS FOR OCRA/SALMON, SEIDBAND; OSTA/MACKE; OFSO/YOUNG;
BRUSSELS PASS AG MINISTER COUNSELOR
BERLIN PASS AG COUNSELOR
STATE FOR EEB/ESC/IEC

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TAGS: [EAGR](#) [SENV](#) [ENRG](#) [TRGY](#) [KGHG](#) [SP](#)

SUBJECT: SPAIN SKEPTICAL OF EU BIOFUELS SUSTAINABILITY
CRITERIA UNDER DISCUSSION

REF: A. SECSTATE 99217

[1](#)B. SECSTATE 98110

[1](#)C. USEU BRUSSELS 1439

[1](#)1. (U) SUMMARY: Spain is skeptical of the sustainability criteria under discussion in the EU. Spanish officials attending EU discussions on these criteria said that as drafted they are not based on sound economic and scientific models and that they would discriminate against biomass and biofuel relative to other energy sources such as coal and oil. END SUMMARY.

[1](#)2. (SBU) On September 29, USDA Under Secretary for Rural Development, Thomas C. Dorr, met with Mr. Enrique Jimenez the Director General of Spain's Energy Diversification and Conservation Institute (IDAE) within the Ministry of Industry, Tourism and Trade while U/S Dorr was in Spain to speak at the EU-US Business Energy Roundtable held in Madrid. Mr. Carlos A. Fernandez, Head of Biofuels, IDAE, Hugo Lucas, Head of International Relations, IDAE, and K. Snipes, Acting Ag Couns, also attended the meeting. U/S Dorr presented U.S. concerns regarding the sustainability discussion. Director General Jimenez responded that Spain shared many of our concerns and asked to have his staff who attend the relevant meetings in Brussels on biofuels and sustainability criteria present their views.

[1](#)3. (SBU) Mr. Lucas said that Spain believed the current discussion was taking place without the necessary analysis of the effects of such criteria on land use and biomass and biofuel production and felt that more analysis was needed before any such standards were implemented. U/S Dorr responded that the USDA was working with Iowa State University on such studies and we would share the information with Spain. Mr. Lucas added that such criteria targeted only at biofuels and biomass would discriminate against the renewable energy sector as compared to other energy sources such as coal and oil.

[1](#)4. (U) Mr. Fernandez hoped that the United States and Spain could collaborate on future analysis regarding land use and biofuels. U/S Dorr agreed and asked Acting Ag Counselor to follow up on future cooperation with the IDAE.

[1](#)5. (SBU) Also on September 29 Under Secretary of State Paula Dobriansky and USDA Under Secretary Dorr met with Teresa Ribera, Secretary of State for Climate Change, Spanish Ministry of Environment, Rural Development and Marine Affairs, primarily to discuss climate change. U/S Dorr expressed concern about the EU biofuels sustainability criteria proposed by France. He said these criteria would be suspect if, like EU actions on agricultural biotechnology,

they were not science-based. Ribera acknowledged the value of biofuels but added in her view they were a transitional technology and would not provide a long-term solution as fuel for transport. (Comment: In previous meetings Ribera stressed her vision of a future with electric vehicles. End comment.)

16. (SBU) Comment: All three Spanish officials from IDAE believed that the sustainability criteria agenda was being pushed through by political interests in Europe beholden to the environmental or green parties. They felt that once the French Presidency of the EU passes at the end of 2008, more clear thinking would prevail. They look forward to Spain's EU Presidency which will be January - June 2010. Secretary of State for Climate Change Ribera said little about the specifics of the sustainability criteria and is less involved with Spain's policy making on these issues. End Comment.
KELLER